IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE, TENNESSEE

WORD MUSIC, LLC., a Tennessee Limited Liability company, DAYSPRING MUSIC, LLC, a Tennessee Limited Liability Company, WORDSPRING MUSIC, LLC., a Tennessee Limited Liability company, UNICHAPPELL MUSIC, INC., a Delaware corporation, CHAPPELL & CO., INC., a Delaware corporation, COTILLION MUSIC, INC., a Delaware Corporation, RIGHTSONG MUSIC, INC., a Delaware Corporation, WALDEN MUSIC, INC., a New York Corporation, WARNER/TAMERLANE PUBLISHING CORP., a California corporation, and WB MUSIC CORP., a California corporation,

Case No. 3:07-cv-502

JURY DEMAND

Judge Haynes

Plaintiffs,

vs.

PRIDDIS MUSIC, INC., a Nevada corporation, RICHARD L. PRIDDIS, individually, PROSOUND KARAOKE LTD., a United Kingdom corporation, MEDIOSTREAM, INC., a California corporation, d/b/a “K SUPERSTAR,” D.J. MILLER MUSIC DISTRIBUTORS, INC., a Colorado corporation, d/b/a “PROSING,” and DALE S. MILLER, Individually,

PRIDDIS DEFENDANTS' PROPOSED CASE MANAGEMENT ORDER

Defendants.

Defendants Priddis Music, Inc., Richard L. Priddis and Prosound Karaoke, Ltd. (hereinafter the "PRIDDIS Defendants") hereby submit this Proposed Case Management Order, as counsel for the PRIDDIS Defendants has been unable to reach an agreement with the Plaintiffs concerning the substance of a joint Proposed Case Management Order.

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I. JURISDICTION AND VENUE

This is an action for copyright infringement arising under the Copyright Act of 1976, 17 U.S.C. §§101 *et seq.* Plaintiffs contend this Court has jurisdiction of this action under 28 U.S.C. §§1331, 1338(a) and 1338(b) and that venue is proper in this District under 28 U.S.C. §§1391 and 1400(a) and (b). The PRIDDIS Defendants have recently moved for dismissal based on improper venue and the first-to-file rule, as well as lack of jurisdiction. Alternatively, the PRIDDIS Defendants seek a transfer to the Northern District of California. Plaintiffs have filed their Memorandum in opposition and various Declarations in support of their opposition. The Motion is currently pending, and the Court has granted the PRIDDIS Defendants' Motion for Leave to File Reply. The Priddis Defendants submitted their Reply contemporaneously with their Motion for Leave.

II. PARTIES' THEORIES OF THE CASE

1. Plaintiff's Theory of the Case

The Plaintiffs are music publishers who own and/or administer the music copyrights identified in the Complaint as the "Subject Works." The Defendants, PRIDDIS MUSIC, INC., a Nevada corporation, RICHARD L. PRIDDIS, individually, PROSOUND KARAOKE LTD., a United Kingdom corporation, MEDIOSTREAM, INC., a California corporation, d/b/a "K SUPERSTAR," D.J. MILLER MUSIC DISTRIBUTORS, INC., a Colorado corporation, d/b/a "PROSING," and DALE S. MILLER, Individually, are in the business of manufacturing, distributing, advertising, selling and otherwise commercially exploiting what are known as "karaoke" recordings of musical copyrights. Plaintiffs contend that the Defendants are guilty of infringement and willful infringement of the Plaintiffs' copyrights by virtue (at least) of having made, distributed, advertised and sold unauthorized karaoke recordings of the Plaintiffs' music copyrights. The MEDIOSTREAM Defendants have also infringed the Plaintiffs' copyrights by using the unauthorized recordings as a foundation for its subscription karaoke website known as "K SUPERSTAR," which also provides advertising for non-parties to this litigation. *All* of the Defendants have infringed Plaintiffs' copyrights by distributing, advertising and selling the unlicensed recordings via interactive internet websites. Plaintiffs also contend the Defendants activities constitute Unfair Competition.

Plaintiffs contend that the Defendants are liable for all of Plaintiffs' actual damages (in the form of lost licensing revenues) as well as any and all profits derived by the Defendants as a result of the unauthorized commercialization of the unlicensed karaoke recordings. Alternatively, the Plaintiffs contend that the Defendants infringing of the Plaintiffs' copyrights constitutes willful copyright infringement to the extent that it is demonstrated the Defendants recklessly utilized the Plaintiffs' copyrights without first obtaining licenses authorizing them to make the various karaoke recordings which they manufactured, distributed, advertised, sold or otherwise commercially exploited. Under either damages remedy, Defendants are liable for Plaintiffs' attorney fees and Court costs.

2. The PRIDDIS Defendants' Theory of the Case

The PRIDDIS Defendants currently lack information sufficient to form a belief as to the truth of the allegations in the Complaint. The Plaintiffs have not yet provided documents or information supporting their allegations. The PRIDDIS Defendants, for their theories and defenses in this matter, will rely upon and incorporate as a part of this paragraph, as if stated fully herein, the contents of its Answer, should the court decline their request to dismiss or transfer this suit. In addition, the PRIDDIS Defendants reserve the right to modify or amend their theories and defenses during the course of discovery and litigation of this matter. The PRIDDIS Defendants deny the allegations set forth in Section II(1) of this Order to the extent that they are inconsistent with the admissions, denials and defenses contained in its Answer, should the Court require an Answer. The submission and filing of this Order shall not constitute a waiver of the Priddis Defendants' defenses raised in their Motion to Dismiss.

III. SCHEDULE OF PRETRIAL PROCEEDINGS

A. Rule 26(a)(1) Disclosure

The parties shall make their Rule 26(a)(1)(A) through (E) disclosures within one hundred and eighty (180) days from the date of the initial case management conference, considering especially the voluminous nature of the documents relating to this case.

B. Meeting of Counsel and Parties to Discuss Settlement Prospects

Ninety (90) days from the date of the initial case management conference, counsel and clients are required to have a face-to-face meeting to discuss whether this case can be resolved without further discovery proceedings. If a party, other than a natural person, is involved in this litigation, a representative who has the authority to settle shall attend this meeting on behalf of that party. After the meeting is conducted, counsel shall prepare a report and file it with the Court reflecting that the parties met and that the parties made a good faith effort to evaluate the resolution of this case. This report should also include whether the parties believed that one of the Alternative Dispute Resolution ("ADR") procedures under the Local Rules would further assist the parties in resolving this matter.

C. Other Pretrial Discovery Matters

As determined at the case management conference on **Monday, July 9, 2007,** this action is set for a jury trial on ____________________________ **at 9:00 a.m**. If this action is to be settled, the Law Clerk shall be notified by noon, ____________________________, 2009. If the settlement is reached thereafter resulting in the non-utilization of jurors, the costs of summoning jurors may be taxed to the parties dependent upon the circumstances.

A pretrial conference shall be held on _________________________, **at 9:00 a.m**. A proposed pretrial order shall be submitted at the pretrial conference.

All discovery shall be completed by the close of business on July 31, 2009. All interrogatories and requests for production shall be served by close of business on December 31, 2007, with responses due by close of business on January 31, 2008. All fact witness and party depositions shall be completed by November 3, 2008. All expert depositions shall be completed by July 31, 2009. No motions related to discovery or for a protective order shall be filed until a discovery/protective order dispute conference has taken place. Notwithstanding any of the foregoing, Requests to Admit may be served at ay time up to sixty (60) days before trial.

All dispositive motions[1] shall be filed by the close of business on October 30, 2009 and any response thereto shall be filed by the close of business on November 30, 2009. Any reply shall be filed by the close of business on December 31, 2009.[2] **Counsel shall e-mail memoranda of law and responses to statements of undisputed facts to the Court's chambers in Megan_Gregory@tnmd.uscourts.gov**.

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[1] No memorandum in support of or in opposition to any motion shall exceed twenty five (25) pages.

[2] Strict compliance is required to LR 56.01, Local Rules of Court (effective June 1, 2006) relating to motions for summary judgment.

Any motion to amend the pleadings or join parties shall be filed in sufficient time to permit any discovery necessary because of the proposed amendment to be obtained within the time for discovery. No amendments will be allowed if to do so will result in a delay in the disposition of the action by requiring an extension of the discovery deadline.

There shall be no stay of discovery pending disposition of any motions.

Interrogatories pursuant to Rule 33, Federal Rules of Civil Procedure, shall be limited to sixty (60) such interrogatories. Subparts of a question shall be counted as additional questions for purposes of the overall number. In all other respects, LR 33.01 (effective June 1, 2006,) shall govern.

By the close of business on January 31, 2009, the plaintiff shall declare to the defendants (not to file with the Court) the identity of his expert witnesses and provide all the information specified in Rule 26(a)(2)(B).

By the close of business on February 27, 2009, the defendants shall declare to the plaintiff (not to file with the Court) the identity of their expert witnesses and provide all the information specified in rule 26(a)(2)(B).

Any supplements to expert reports shall be filed by the close of business on or before March 30, 2009. There shall not be any rebuttal expert witnesses.

Local Rule 39.01(c)(6)(c) (effective June 1, 2006) relating to expert witnesses shall apply in this action, and strict compliance is required.

It is so **ORDERED**.

ENTERED this the 9th day of July, 2007.

WILLIAM J. HAYNES, JR.
United States District Judge

APPROVED FOR ENTRY:

s/ Jeff T. Goodson
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Attorney for the Priddis Defendants

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served by electronic means via the Court's ECF system upon the following:

1. Timothy L. Warnock, Bowen, Riley, Warnock & Jacobson, PLC, 1906 West End Avenue, Nashville, TN 37203; and
2. Paul Harrison Stacey, Law Offices of Paul Harrison Stacey, P.C., 7225 N. Spring Gulch Road, P.O. Box 4157, Jackson, WY 83001

and by United States Mail upon the following:

1. Frear Stephen Schmid, 177 Post Street, Suite 890, San Francisco, CA 94108; and
2. Owen Borum, Caplan and Earnest LLC, One Boulder Plaza, 1800 Broadway, Suite 200, Boulder, CO 80302-6737

on this the 3rd day of July, 2007.

s/ Jeff T. Goodson
Jeff T. Goodson